

May 2, 2003

Dan Meadors, General Manager
Canyon Fuel Company, LLC
HC 35 Box 380
Helper, Utah 84526

Re: Approval of Exception to Timing Restriction, Well Drilling and Completion Amendment, Canyon Fuel Company, Skyline Mine, C/007/005-AM03C, Outgoing File

Dear Mr. Meadors:

The Division has reviewed and hereby conditionally approves your request for an extension of time to complete the installation of the JC-3 well in James Canyon. We recognize the critical nature of this project and consent to the extended timeframe with the following conditions.

- This is a one-time exception to the timing restrictions and allows drilling and completion of the JC-3 well to continue through July 5, 2003.
- Canyon Fuel must submit a plan for removal of the culvert on non-Federal lands at the mouth of James Canyon Creek as part of the mitigation for allowing this project to continue. The plan must include sediment control, re-establishment of stream channel integrity and aquatic species habitat, and replacement of riparian vegetation and will be subject to Division of Wildlife Resources approval. Implementation of the plan will be done as quickly as possible after its approval.
- Canyon Fuel must contribute the balance of the proposed \$30,000 mitigation contribution to a Forest Service mitigation fund after deducting the cost of the James Canyon Stream Channel Restoration/Culvert Removal Project.

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Thank you for your help with this permitting action. If you have any questions, please feel free to call me at (801) 538-5325.

Sincerely,

Daron Haddock
Permit Supervisor

an
cc: Jim Kohler, BLM
Melissa Blackwell, USFS
Mark Page, Water Rights
Dave Ariotti, DEQ
Derris Jones, DWR
Price Field Office
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